

## Program A: Louisiana Property Assistance

Program Authorization: R.S. 39:321-330, 360-364

### PROGRAM DESCRIPTION

The mission of the Louisiana Property Assistance Program (LPAA) is to provide for the accountability of the state's moveable property through the development and implementation of sound management practices. Louisiana Property Assistance Agency operates under the authority provided by Louisiana revised statute 39.321-330 and LRS 39.360-364 and rules and regulations promulgated under this authority.

The goals of the Louisiana Property Assistance Program are: to provide an accurate accounting of the state's moveable property; and to provide a means for redistribution and/or disposal of the state's surplus property.

The responsibilities of the LPAA include: (a) reviewing certifications of annual physical inventories; (b) auditing all state agencies for compliance with state property and fleet regulations; (c) collecting the state's surplus moveable property and redistributing it to state agencies, eligible organizations, and individuals through public auctions; and (d) tracking statewide vehicle usage, approving purchase of replacement vehicles, and administering a statewide vehicle maintenance contract.

### OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2001-2002. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

1. (KEY) To ensure that at least 95% of the state's moveable property accounts are in compliance with state property control rules and regulations.

Strategic Link: This operational objective is an ongoing process toward accomplishing Louisiana Property Assistance Agency's Strategic Objective I:1: *To insure, annually, that 95% of the state's moveable property accounts are in compliance with state property control rules and regulations.*

Louisiana: Vision 2020 Link: Not applicable

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 2 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Percentage of the state's moveable property accounts that are in compliance with state property control rules and regulations	99.6%	97.3%	95%	95%	95%	95%

2. (KEY) To respond to 100% of agencies' requests for pick-up of surplus property within 90 days of receiving notification for pick-up.

Strategic Link: This operational objective is an ongoing process toward accomplishing Louisiana Property Assistance Agency's (LPAA) mission statement: *To provide for the accountability of the state's moveable property through the development and implementation of sound management practices.*

Louisiana: Vision 2020 Link: Not applicable

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

Explanatory Note: When an agency surpluses state property, it must first submit a BF-11 form to the LPAA. The LPAA then reviews and processes the BF-11 and returns the approved form to the agency. Once an agency receives an approved BF-11 from LPAA, it is the agency's responsibility to call for a pick up. Upon receiving such notification, the LPAA then schedules a pick-up date with the notifying agency.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 2 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Percentage of surplus property picked up within 90 days	Not applicable <sup>1</sup>	Not available <sup>1</sup>	75%	75% <sup>2</sup>	75%	100%

<sup>1</sup> This was a new performance indicator for FY 2000-2001. It did not appear under Act 60 and does not have a FY 1999-2000 performance standard. Performance data for actual yearend performance were not tracked in FY 1999-2000.

<sup>2</sup> Although the performance standard is 75%, LPAA projects a yearend target of 100% in its Second Quarter Performance Progress Reports.

3. (KEY) To ensure that at least 75% (the federally assigned level) of eligible vehicle purchases by the State of Louisiana will be in compliance with the Clean Air Act of 1980 and the Energy Policy Act of 1992.

Strategic Link: This operational objective is an ongoing process toward accomplishing Louisiana Property Assistance Agency Strategic Objective 3:1: *To insure compliance with the Clean Air Act of 1990 (CAA) and the Energy Policy Act of 1992.*

Louisiana: Vision 2020 Link: Not applicable

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

Explanatory Note: This objective addresses federal mandates regarding the purchase of eligible fleet vehicles with alternative fuel capability. The Clean Air Act (CAA) of 1990 and the Energy Policy Act (EPACT) of 1992 set a minimum compliance standard of 75% of eligible vehicle purchases, with which LPAA must comply. In the future, the minimum compliance standard may vary, depending upon the manufacturing of alternative fuel vehicle (AFV), availability of AFV fuels in Louisiana, cost of AFVs, and education regarding AFVs by agency personnel.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 2 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Percentage of eligible vehicle purchases that are alternative fuel vehicles. <sup>1</sup>	Not applicable <sup>2</sup>	116% <sup>3</sup>	75% <sup>4</sup>	75% <sup>4</sup>	130% <sup>5</sup>	130%

<sup>1</sup> Eligible vehicles purchased are the total number of vehicles purchased in the state less exemptions and excluded vehicles allowed by the Department of Energy.

<sup>2</sup> This was a new performance indicator in FY 2000-2001. It did not appear under Act 60 and does not have a FY 1999-2000 performance standard.

<sup>3</sup> The agency indicates that the FY 1999-2000 actual yearend performance value of 116% was calculated based on the following information: the total number of eligible vehicles purchased that were AFVs (167); FY 1999-2000 the federal government mandated that 50% of eligible vehicle purchases be alternative fuel vehicles (84); the agency purchased a total of 194 alternative fuel vehicles (27 of these AFV purchases did not meet the criteria to be considered eligible vehicles). Therefore, the agency's calculation methodology for this performance indicator is: the actual number of AFVs purchased (194) divided by the total number of eligible vehicle purchases required under EPACT (167).

<sup>4</sup> The required acquisition percentage for FY 2000-2001 and thereafter under EPACT is 75%. The FY 2000-2001 performance standard represents the minimum. However, the agency has estimated a yearend target of 120%. This target represents a 4% increase over prior year. This increase is primarily due to an increase in AFVs by manufacturers.

<sup>5</sup> The FY 2001-2002 projection is a 10% increase, which is anticipated because of the number of AFVs available on state contract.

## RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1999 - 2000	ACT 2 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	3,280,065	3,423,397	3,423,397	3,718,262	3,658,972	235,575
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<u><u>\$3,280,065</u></u>	<u><u>\$3,423,397</u></u>	<u><u>\$3,423,397</u></u>	<u><u>\$3,718,262</u></u>	<u><u>\$3,658,972</u></u>	<u><u>\$235,575</u></u>
EXPENDITURES & REQUEST:						
Salaries	\$953,394	\$1,060,053	\$1,104,559	\$1,136,126	\$1,118,126	\$13,567
Other Compensation	91,938	121,904	64,555	64,555	64,555	0
Related Benefits	195,679	226,972	242,087	248,178	244,416	2,329
Total Operating Expenses	1,036,489	898,785	896,513	888,306	869,052	(27,461)
Professional Services	19,180	50,000	50,000	50,000	50,000	0
Total Other Charges	943,250	913,683	913,683	931,957	913,683	0
Total Acq. & Major Repairs	40,135	152,000	152,000	399,140	399,140	247,140
TOTAL EXPENDITURES AND REQUEST	<u><u>\$3,280,065</u></u>	<u><u>\$3,423,397</u></u>	<u><u>\$3,423,397</u></u>	<u><u>\$3,718,262</u></u>	<u><u>\$3,658,972</u></u>	<u><u>\$235,575</u></u>
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	49	44	44	44	44	0
Unclassified	0	0	0	0	0	0
TOTAL	<u><u>49</u></u>	<u><u>44</u></u>	<u><u>44</u></u>	<u><u>44</u></u>	<u><u>44</u></u>	<u><u>0</u></u>

## SOURCE OF FUNDING

This program is funded from Fees and Self-generated Revenues derived from commissions earned from the sale of surplus property to other state agencies, political subdivisions and charitable organizations.

## ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$3,423,397	44	<b>ACT 2 FISCAL YEAR 2000-2001</b>
			<b>BA-7 TRANSACTIONS:</b>
\$0	\$0	0	None
\$0	\$3,423,397	44	<b>EXISTING OPERATING BUDGET – December 15, 2000</b>
\$0	\$19,616	0	Annualization of FY 2000-2001 Classified State Employees Merit Increase
\$0	\$18,042	0	Classified State Employees Merit Increases for FY 2001 -2002
\$0	(\$28,134)	0	Risk Management Adjustment
\$0	\$399,140	0	Acquisitions & Major Repairs
\$0	(\$152,000)	0	Non-Recurring Acquisitions & Major Repairs
\$0	\$166	0	UPS Fees
\$0	(\$21,762)	0	Attrition Adjustment
\$0	(\$358)	0	Civil Service Fees
\$0	\$8,000	0	Other Adjustments - Travel expenses tied to field service assistance to customer agencies
\$0	(\$7,135)	0	Other Adjustments - Office of Information Services adjustment to reflect assessment fee to be charged for computer support services
\$0	\$3,658,972	44	<b>TOTAL RECOMMENDED</b>
\$0	\$0	0	<b>LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS</b>
\$0	\$3,658,972	44	<b>BASE EXECUTIVE BUDGET FISCAL YEAR 2001-2002</b>
			<b>SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:</b>
\$0	\$0	0	None
\$0	\$0	0	<b>TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE</b>
\$0	\$3,658,972	44	<b>GRAND TOTAL RECOMMENDED</b>

The total means of financing for this program is recommended at 106.9% of the existing operating budget. It represents 97% of the total request (\$3,772,098) for this program. All applicable statewide policy adjustments have been applied to this program. The major difference between total request and total recommended are due to certain statewide policy adjustments - not funding inflation costs (-\$24,915) and personnel adjustments as itemized above. The recommended funding level should enable this agency to continue to provide cost effective services in the areas of property procurement, liquidation and replacement; inventory maintenance; and fleet management to its customer agencies.

## **PROFESSIONAL SERVICES**

\$50,000 Other Professional Services for auctioneer's fees for sale of surplus property (3.18% of gross auction sales)

**\$50,000 TOTAL PROFESSIONAL SERVICES**

## **OTHER CHARGES**

\$913,683 Miscellaneous charges - represents revenues to state agencies and local governments disposing of surplus property purchased with federal or non-general fund monies. This money is shown in L.P.A.A. budget for accounting purposes since L.P.A.A. disposes of the property for them.

**\$913,683 TOTAL OTHER CHARGES**

## **ACQUISITIONS AND MAJOR REPAIRS**

\$128,000 Office equipment and furniture - Louisiana Property Assistance Agency is consolidating its warehouse and office spaces into one central location. The agency will use modular office equipment and create work areas for public auctions.

\$32,000 Two (2) pool vehicles used by audit staff for statewide travel

\$239,140 Major Repairs to agency storage warehouses to include: repair and recoat entire roof and replce air conditioning unit, replace roll-up doors, patch holes in roof and foan insulate entire building, patch along base of building, foam insulate entire building, replace fence, correct any electrical problems and paint where necessary.

**\$399,140 TOTAL ACQUISITIONS AND MAJOR REPAIRS**